

Representative Mike Schultz proposes the following substitute bill:

AMENDMENTS RELATED TO INFRASTRUCTURE FUNDING

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Mike Schultz

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill enacts provisions relating to funding for infrastructure projects.

Highlighted Provisions:

This bill:

- ▶ authorizes the issuance of \$264,000,000 in bonds for specified transportation and transit projects;
- ▶ provides for uses of the bond proceeds;
- ▶ limits the issuance of bonds;
- ▶ enacts other provisions relating to the issuance of the bonds;
- ▶ provides for certain sales tax revenue to be deposited into a specified transportation investment fund; and
- ▶ allocates and appropriates money for infrastructure and other projects.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2022:

- ▶ to Transportation - Transportation Investment Fund of 2005, as a one-time appropriation:
 - from the General Fund, \$733,000,000; and
- ▶ to Transportation - Transit Transportation Investment Fund, as a one-time



26 appropriation:

- 27 • from the General Fund, \$101,600,000.

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **59-12-103**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20

33 **72-2-124**, as last amended by Laws of Utah 2020, Chapters 366 and 377

34 **72-2-131**, as enacted by Laws of Utah 2020, Fourth Special Session, Chapter 2

35 ENACTS:

36 **63B-31-101**, Utah Code Annotated 1953



38 *Be it enacted by the Legislature of the state of Utah:*

39 Section 1. Section **59-12-103** is amended to read:

40 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
41 **tax revenues.**

42 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
43 sales price for amounts paid or charged for the following transactions:

44 (a) retail sales of tangible personal property made within the state;

45 (b) amounts paid for:

46 (i) telecommunications service, other than mobile telecommunications service, that
47 originates and terminates within the boundaries of this state;

48 (ii) mobile telecommunications service that originates and terminates within the
49 boundaries of one state only to the extent permitted by the Mobile Telecommunications

50 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

51 (iii) an ancillary service associated with a:

52 (A) telecommunications service described in Subsection (1)(b)(i); or

53 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

54 (c) sales of the following for commercial use:

55 (i) gas;

56 (ii) electricity;

- 57 (iii) heat;
- 58 (iv) coal;
- 59 (v) fuel oil; or
- 60 (vi) other fuels;
- 61 (d) sales of the following for residential use:
- 62 (i) gas;
- 63 (ii) electricity;
- 64 (iii) heat;
- 65 (iv) coal;
- 66 (v) fuel oil; or
- 67 (vi) other fuels;
- 68 (e) sales of prepared food;
- 69 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 70 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 71 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 72 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 73 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 74 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 75 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 76 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 77 exhibition, cultural, or athletic activity;
- 78 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 79 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 80 (i) the tangible personal property; and
- 81 (ii) parts used in the repairs or renovations of the tangible personal property described
- 82 in Subsection (1)(g)(i), regardless of whether:
- 83 (A) any parts are actually used in the repairs or renovations of that tangible personal
- 84 property; or
- 85 (B) the particular parts used in the repairs or renovations of that tangible personal
- 86 property are exempt from a tax under this chapter;
- 87 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for

88 assisted cleaning or washing of tangible personal property;

89 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
90 accommodations and services that are regularly rented for less than 30 consecutive days;

91 (j) amounts paid or charged for laundry or dry cleaning services;

92 (k) amounts paid or charged for leases or rentals of tangible personal property if within
93 this state the tangible personal property is:

94 (i) stored;

95 (ii) used; or

96 (iii) otherwise consumed;

97 (l) amounts paid or charged for tangible personal property if within this state the
98 tangible personal property is:

99 (i) stored;

100 (ii) used; or

101 (iii) consumed; and

102 (m) amounts paid or charged for a sale:

103 (i) (A) of a product transferred electronically; or

104 (B) of a repair or renovation of a product transferred electronically; and

105 (ii) regardless of whether the sale provides:

106 (A) a right of permanent use of the product; or

107 (B) a right to use the product that is less than a permanent use, including a right:

108 (I) for a definite or specified length of time; and

109 (II) that terminates upon the occurrence of a condition.

110 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax
111 are imposed on a transaction described in Subsection (1) equal to the sum of:

112 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

113 (A) (I) through March 31, 2019, 4.70%; and

114 (II) beginning on April 1, 2019, 4.70% plus the rate specified in Subsection (13)(a);

115 and

116 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
117 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211

118 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional

119 State Sales and Use Tax Act; and

120 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
121 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
122 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
123 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

124 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
125 transaction under this chapter other than this part.

126 (b) Except as provided in Subsection (2)(d) or (e) and subject to Subsection (2)(j), a
127 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
128 the sum of:

129 (i) a state tax imposed on the transaction at a tax rate of 2%; and

130 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
131 transaction under this chapter other than this part.

132 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax are
133 imposed on amounts paid or charged for food and food ingredients equal to the sum of:

134 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
135 a tax rate of 1.75%; and

136 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
137 amounts paid or charged for food and food ingredients under this chapter other than this part.

138 (d) (i) For a bundled transaction that is attributable to food and food ingredients and
139 tangible personal property other than food and food ingredients, a state tax and a local tax is
140 imposed on the entire bundled transaction equal to the sum of:

141 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

142 (I) the tax rate described in Subsection (2)(a)(i)(A); and

143 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
144 Sales and Use Tax Act, if the location of the transaction as determined under Sections
145 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
146 Additional State Sales and Use Tax Act; and

147 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
148 Sales and Use Tax Act, if the location of the transaction as determined under Sections

149 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which

150 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

151 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
152 described in Subsection (2)(a)(ii).

153 (ii) If an optional computer software maintenance contract is a bundled transaction that
154 consists of taxable and nontaxable products that are not separately itemized on an invoice or
155 similar billing document, the purchase of the optional computer software maintenance contract
156 is 40% taxable under this chapter and 60% nontaxable under this chapter.

157 (iii) Subject to Subsection (2)(d)(iv), for a bundled transaction other than a bundled
158 transaction described in Subsection (2)(d)(i) or (ii):

159 (A) if the sales price of the bundled transaction is attributable to tangible personal
160 property, a product, or a service that is subject to taxation under this chapter and tangible
161 personal property, a product, or service that is not subject to taxation under this chapter, the
162 entire bundled transaction is subject to taxation under this chapter unless:

163 (I) the seller is able to identify by reasonable and verifiable standards the tangible
164 personal property, product, or service that is not subject to taxation under this chapter from the
165 books and records the seller keeps in the seller's regular course of business; or

166 (II) state or federal law provides otherwise; or

167 (B) if the sales price of a bundled transaction is attributable to two or more items of
168 tangible personal property, products, or services that are subject to taxation under this chapter
169 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
170 higher tax rate unless:

171 (I) the seller is able to identify by reasonable and verifiable standards the tangible
172 personal property, product, or service that is subject to taxation under this chapter at the lower
173 tax rate from the books and records the seller keeps in the seller's regular course of business; or

174 (II) state or federal law provides otherwise.

175 (iv) For purposes of Subsection (2)(d)(iii), books and records that a seller keeps in the
176 seller's regular course of business includes books and records the seller keeps in the regular
177 course of business for nontax purposes.

178 (e) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(e)(ii)
179 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
180 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental

181 of tangible personal property, other property, a product, or a service that is not subject to
182 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
183 the seller, at the time of the transaction:

184 (A) separately states the portion of the transaction that is not subject to taxation under
185 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

186 (B) is able to identify by reasonable and verifiable standards, from the books and
187 records the seller keeps in the seller's regular course of business, the portion of the transaction
188 that is not subject to taxation under this chapter.

189 (ii) A purchaser and a seller may correct the taxability of a transaction if:

190 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
191 the transaction that is not subject to taxation under this chapter was not separately stated on an
192 invoice, bill of sale, or similar document provided to the purchaser because of an error or
193 ignorance of the law; and

194 (B) the seller is able to identify by reasonable and verifiable standards, from the books
195 and records the seller keeps in the seller's regular course of business, the portion of the
196 transaction that is not subject to taxation under this chapter.

197 (iii) For purposes of Subsections (2)(e)(i) and (ii), books and records that a seller keeps
198 in the seller's regular course of business includes books and records the seller keeps in the
199 regular course of business for nontax purposes.

200 (f) (i) If the sales price of a transaction is attributable to two or more items of tangible
201 personal property, products, or services that are subject to taxation under this chapter at
202 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate
203 unless the seller, at the time of the transaction:

204 (A) separately states the items subject to taxation under this chapter at each of the
205 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

206 (B) is able to identify by reasonable and verifiable standards the tangible personal
207 property, product, or service that is subject to taxation under this chapter at the lower tax rate
208 from the books and records the seller keeps in the seller's regular course of business.

209 (ii) For purposes of Subsection (2)(f)(i), books and records that a seller keeps in the
210 seller's regular course of business includes books and records the seller keeps in the regular
211 course of business for nontax purposes.

212 (g) Subject to Subsections (2)(h) and (i), a tax rate repeal or tax rate change for a tax
213 rate imposed under the following shall take effect on the first day of a calendar quarter:

- 214 (i) Subsection (2)(a)(i)(A);
- 215 (ii) Subsection (2)(b)(i);
- 216 (iii) Subsection (2)(c)(i); or
- 217 (iv) Subsection (2)(d)(i)(A)(I).

218 (h) (i) A tax rate increase takes effect on the first day of the first billing period that
219 begins on or after the effective date of the tax rate increase if the billing period for the
220 transaction begins before the effective date of a tax rate increase imposed under:

- 221 (A) Subsection (2)(a)(i)(A);
- 222 (B) Subsection (2)(b)(i);
- 223 (C) Subsection (2)(c)(i); or
- 224 (D) Subsection (2)(d)(i)(A)(I).

225 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
226 statement for the billing period is rendered on or after the effective date of the repeal of the tax
227 or the tax rate decrease imposed under:

- 228 (A) Subsection (2)(a)(i)(A);
- 229 (B) Subsection (2)(b)(i);
- 230 (C) Subsection (2)(c)(i); or
- 231 (D) Subsection (2)(d)(i)(A)(I).

232 (i) (i) For a tax rate described in Subsection (2)(i)(ii), if a tax due on a catalogue sale is
233 computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or
234 change in a tax rate takes effect:

- 235 (A) on the first day of a calendar quarter; and
- 236 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

237 (ii) Subsection (2)(i)(i) applies to the tax rates described in the following:

- 238 (A) Subsection (2)(a)(i)(A);
- 239 (B) Subsection (2)(b)(i);
- 240 (C) Subsection (2)(c)(i); or
- 241 (D) Subsection (2)(d)(i)(A)(I).

242 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,

243 the commission may by rule define the term "catalogue sale."

244 (j) (i) For a location described in Subsection (2)(j)(ii), the commission shall determine
245 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
246 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

247 (ii) Subsection (2)(j)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
248 or other fuel is furnished through a single meter for two or more of the following uses:

249 (A) a commercial use;

250 (B) an industrial use; or

251 (C) a residential use.

252 (3) (a) The following state taxes shall be deposited into the General Fund:

253 (i) the tax imposed by Subsection (2)(a)(i)(A);

254 (ii) the tax imposed by Subsection (2)(b)(i);

255 (iii) the tax imposed by Subsection (2)(c)(i); or

256 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

257 (b) The following local taxes shall be distributed to a county, city, or town as provided
258 in this chapter:

259 (i) the tax imposed by Subsection (2)(a)(ii);

260 (ii) the tax imposed by Subsection (2)(b)(ii);

261 (iii) the tax imposed by Subsection (2)(c)(ii); and

262 (iv) the tax imposed by Subsection (2)(d)(i)(B).

263 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
264 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
265 through (g):

266 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

267 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

268 (B) for the fiscal year; or

269 (ii) \$17,500,000.

270 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
271 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the
272 Department of Natural Resources to:

273 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to

274 protect sensitive plant and animal species; or

275 (B) award grants, up to the amount authorized by the Legislature in an appropriations
276 act, to political subdivisions of the state to implement the measures described in Subsections
277 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

278 (ii) Money transferred to the Department of Natural Resources under Subsection
279 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
280 person to list or attempt to have listed a species as threatened or endangered under the
281 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

282 (iii) At the end of each fiscal year:

283 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
284 Conservation and Development Fund created in Section 73-10-24;

285 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
286 Program Subaccount created in Section 73-10c-5; and

287 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
288 Program Subaccount created in Section 73-10c-5.

289 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
290 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
291 created in Section 4-18-106.

292 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
293 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water
294 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of
295 water rights.

296 (ii) At the end of each fiscal year:

297 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
298 Conservation and Development Fund created in Section 73-10-24;

299 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
300 Program Subaccount created in Section 73-10c-5; and

301 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
302 Program Subaccount created in Section 73-10c-5.

303 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
304 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and

305 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

306 (ii) In addition to the uses allowed of the Water Resources Conservation and
307 Development Fund under Section 73-10-24, the Water Resources Conservation and
308 Development Fund may also be used to:

309 (A) conduct hydrologic and geotechnical investigations by the Division of Water
310 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
311 quantifying surface and ground water resources and describing the hydrologic systems of an
312 area in sufficient detail so as to enable local and state resource managers to plan for and
313 accommodate growth in water use without jeopardizing the resource;

314 (B) fund state required dam safety improvements; and

315 (C) protect the state's interest in interstate water compact allocations, including the
316 hiring of technical and legal staff.

317 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
318 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
319 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

320 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
321 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
322 created in Section 73-10c-5 for use by the Division of Drinking Water to:

323 (i) provide for the installation and repair of collection, treatment, storage, and
324 distribution facilities for any public water system, as defined in Section 19-4-102;

325 (ii) develop underground sources of water, including springs and wells; and

326 (iii) develop surface water sources.

327 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
328 2006, the difference between the following amounts shall be expended as provided in this
329 Subsection (5), if that difference is greater than \$1:

330 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
331 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

332 (ii) \$17,500,000.

333 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

334 (A) transferred each fiscal year to the Department of Natural Resources as dedicated
335 credits; and

336 (B) expended by the Department of Natural Resources for watershed rehabilitation or
337 restoration.

338 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
339 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund
340 created in Section 73-10-24.

341 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
342 remaining difference described in Subsection (5)(a) shall be:

343 (A) transferred each fiscal year to the Division of Water Resources as dedicated
344 credits; and

345 (B) expended by the Division of Water Resources for cloud-seeding projects
346 authorized by Title 73, Chapter 15, Modification of Weather.

347 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
348 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund
349 created in Section 73-10-24.

350 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
351 remaining difference described in Subsection (5)(a) shall be deposited into the Water
352 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
353 Division of Water Resources for:

354 (i) preconstruction costs:

355 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
356 26, Bear River Development Act; and

357 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
358 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

359 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
360 Chapter 26, Bear River Development Act;

361 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
362 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

363 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
364 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

365 (e) After making the transfers required by Subsections (5)(b) and (c) and subject to
366 Subsection (5)(f), 15% of the remaining difference described in Subsection (5)(a) shall be

367 transferred each year as dedicated credits to the Division of Water Rights to cover the costs
368 incurred for employing additional technical staff for the administration of water rights.

369 (f) At the end of each fiscal year, any unexpended dedicated credits described in
370 Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development
371 Fund created in Section 73-10-24.

372 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), the
373 amount of revenue generated by a 1/16% tax rate on the transactions described in Subsection
374 (1) for the fiscal year shall be deposited as follows:

375 (a) for fiscal year 2016-17 only, 100% of the revenue described in this Subsection (6)
376 shall be deposited into the Transportation Investment Fund of 2005 created by Section
377 72-2-124;

378 (b) for fiscal year 2017-18 only:

379 (i) 80% of the revenue described in this Subsection (6) shall be deposited into the
380 Transportation Investment Fund of 2005 created by Section 72-2-124; and

381 (ii) 20% of the revenue described in this Subsection (6) shall be deposited into the
382 Water Infrastructure Restricted Account created by Section 73-10g-103;

383 (c) for fiscal year 2018-19 only:

384 (i) 60% of the revenue described in this Subsection (6) shall be deposited into the
385 Transportation Investment Fund of 2005 created by Section 72-2-124; and

386 (ii) 40% of the revenue described in this Subsection (6) shall be deposited into the
387 Water Infrastructure Restricted Account created by Section 73-10g-103;

388 (d) for fiscal year 2019-20 only:

389 (i) 40% of the revenue described in this Subsection (6) shall be deposited into the
390 Transportation Investment Fund of 2005 created by Section 72-2-124; and

391 (ii) 60% of the revenue described in this Subsection (6) shall be deposited into the
392 Water Infrastructure Restricted Account created by Section 73-10g-103;

393 (e) for fiscal year 2020-21 only:

394 (i) 20% of the revenue described in this Subsection (6) shall be deposited into the
395 Transportation Investment Fund of 2005 created by Section 72-2-124; and

396 (ii) 80% of the revenue described in this Subsection (6) shall be deposited into the
397 Water Infrastructure Restricted Account created by Section 73-10g-103; and

398 (f) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described
399 in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account
400 created by Section 73-10g-103.

401 (7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
402 Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1,
403 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005
404 created by Section 72-2-124:

405 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
406 the revenues collected from the following taxes, which represents a portion of the
407 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
408 on vehicles and vehicle-related products:

- 409 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 410 (B) the tax imposed by Subsection (2)(b)(i);
- 411 (C) the tax imposed by Subsection (2)(c)(i); and
- 412 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

413 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
414 current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through
415 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
416 (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

417 (b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of
418 the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total
419 lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)
420 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
421 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
422 (7)(a) equal to the product of:

423 (A) the total percentage of sales and use taxes deposited under Subsection (7)(a) in the
424 previous fiscal year; and

425 (B) the total sales and use tax revenue generated by the taxes described in Subsections
426 (7)(a)(i)(A) through (D) in the current fiscal year.

427 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
428 Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes

429 described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of
430 Finance shall deposit 17% of the revenues collected from the sales and use taxes described in
431 Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).

432 (iii) (A) [Str] Subject to Subsection (7)(a)(iii)(B), in all subsequent fiscal years after a
433 year in which 17% of the revenues collected from the sales and use taxes described in
434 Subsections (7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of
435 Finance shall annually deposit 17% of the revenues collected from the sales and use taxes
436 described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection
437 (7)(a).

438 (B) Beginning fiscal year 2021, if 17% of the revenue collected from the sales and use
439 taxes described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year is more than
440 3% more than 17% of the revenue collected from the sales and use taxes described in
441 Subsections (7)(a)(i)(A) through (D) in the previous fiscal year, the Division of Finance shall
442 annually deposit into the Cottonwood Canyons Transportation Investment Fund, created in
443 Subsection 72-2-124(10), 25% of that additional revenue over the 3% growth, subject to a
444 maximum, when combined with revenue deposited into the Cottonwood Canyons
445 Transportation Investment Fund under Subsection (8)(c)(iv), of \$20,000,000.

446 (8) (a) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited
447 under Subsections (6) and (7), for the 2016-17 fiscal year only, the Division of Finance shall
448 deposit \$64,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into
449 the Transportation Investment Fund of 2005 created by Section 72-2-124.

450 (b) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited under
451 Subsections (6) and (7), for the 2017-18 fiscal year only, the Division of Finance shall deposit
452 \$63,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the
453 Transportation Investment Fund of 2005 created by Section 72-2-124.

454 (c) (i) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
455 Subsections (6) and (7), and subject to ~~[Subsection]~~ Subsections (8)(c)(ii) and (iv), for a fiscal
456 year beginning on or after July 1, 2018, the commission shall annually deposit into the
457 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes
458 listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the
459 following taxes:

- 460 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 461 (B) the tax imposed by Subsection (2)(b)(i);
- 462 (C) the tax imposed by Subsection (2)(c)(i); and
- 463 (D) the tax imposed by Subsection (2)(d)(i)(A)(I).

464 (ii) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
465 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(c)(i)
466 by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year
467 by the portion of the tax imposed on motor and special fuel that is sold, used, or received for
468 sale or use in this state that exceeds 29.4 cents per gallon.

469 (iii) The commission shall annually deposit the amount described in Subsection
470 (8)(c)(ii) into the Transit and Transportation Investment Fund created in Section 72-2-124.

471 (iv) Beginning fiscal year 2021, if 3.68% of the revenue collected from the taxes
472 described in Subsections (8)(c)(i)(A) through (D) in the current fiscal year is more than 3%
473 more than 3.68% of the revenue collected from the sales and use taxes described in Subsections
474 (8)(c)(i)(A) through (D) in the previous fiscal year, the Division of Finance shall annually
475 deposit into the Cottonwood Canyons Transportation Investment Fund, created in Subsection
476 72-2-124(10), 25% of that additional revenue over the 3% growth, subject to a maximum,
477 when combined with revenue deposited into the Cottonwood Canyons Transportation
478 Investment Fund under Subsection (7)(b)(iii)(B), of \$20,000,000.

479 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
480 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
481 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

482 (10) (a) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(c),
483 in addition to any amounts deposited under Subsections (6), (7), and (8), and for the 2016-17
484 fiscal year only, the Division of Finance shall deposit into the Transportation Investment Fund
485 of 2005 created by Section 72-2-124 the amount of tax revenue generated by a .05% tax rate on
486 the transactions described in Subsection (1).

487 (b) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(c), and in
488 addition to any amounts deposited under Subsections (6), (7), and (8), the Division of Finance
489 shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the
490 amount of revenue described as follows:

491 (i) for fiscal year 2017-18 only, 83.33% of the amount of revenue generated by a .05%
492 tax rate on the transactions described in Subsection (1);

493 (ii) for fiscal year 2018-19 only, 66.67% of the amount of revenue generated by a .05%
494 tax rate on the transactions described in Subsection (1);

495 (iii) for fiscal year 2019-20 only, 50% of the amount of revenue generated by a .05%
496 tax rate on the transactions described in Subsection (1);

497 (iv) for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a
498 .05% tax rate on the transactions described in Subsection (1); and

499 (v) for fiscal year 2021-22 only, 16.67% of the amount of revenue generated by a .05%
500 tax rate on the transactions described in Subsection (1).

501 (c) For purposes of Subsections (10)(a) and (b), the Division of Finance may not
502 deposit into the Transportation Investment Fund of 2005 any tax revenue generated by amounts
503 paid or charged for food and food ingredients, except for tax revenue generated by a bundled
504 transaction attributable to food and food ingredients and tangible personal property other than
505 food and food ingredients described in Subsection (2)(d).

506 (11) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
507 fiscal year during which the Division of Finance receives notice under Section [63N-2-510](#) that
508 construction on a qualified hotel, as defined in Section [63N-2-502](#), has begun, the Division of
509 Finance shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue
510 generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund,
511 created in Section [63N-2-512](#).

512 (12) (a) Notwithstanding Subsection (3)(a), for the 2016-17 fiscal year only, the
513 Division of Finance shall deposit \$26,000,000 of the revenues generated by the taxes listed
514 under Subsection (3)(a) into the Throughput Infrastructure Fund created by Section [35A-8-308](#).

515 (b) Notwithstanding Subsection (3)(a), for the 2017-18 fiscal year only, the Division of
516 Finance shall deposit \$27,000,000 of the revenues generated by the taxes listed under
517 Subsection (3)(a) into the Throughput Infrastructure Fund created by Section [35A-8-308](#).

518 (13) (a) The rate specified in this subsection is 0.15%.

519 (b) Notwithstanding Subsection (3)(a), the Division of Finance shall:

520 (i) on or before September 30, 2019, transfer the amount of revenue collected from the
521 rate described in Subsection (13)(a) beginning on April 1, 2019, and ending on June 30, 2019,

522 on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) into
523 the Medicaid Expansion Fund created in Section 26-36b-208; and

524 (ii) for a fiscal year beginning on or after July 1, 2019, annually transfer the amount of
525 revenue collected from the rate described in Subsection (13)(a) on the transactions that are
526 subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion
527 Fund created in Section 26-36b-208.

528 (14) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
529 2020-21, the Division of Finance shall deposit \$200,000 into the General Fund as a dedicated
530 credit solely for use of the Search and Rescue Financial Assistance Program created in, and
531 expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

532 (15) (a) For each fiscal year beginning with fiscal year 2020-21, the Division of
533 Finance shall annually transfer \$1,813,400 of the revenue deposited into the Transportation
534 Investment Fund of 2005 under Subsections (6) through (8) to the General Fund.

535 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
536 under Subsections (6) through (8) is less than \$1,813,400 for a fiscal year, the Division of
537 Finance shall transfer the total revenue deposited into the Transportation Investment Fund of
538 2005 under Subsections (6) through (8) during the fiscal year to the General Fund.

539 Section 2. Section 63B-31-101 is enacted to read:

540 **CHAPTER 31. 2021 BONDING AND FINANCING AUTHORIZATIONS**

541 **Part 1. General Provisions**

542 **63B-31-101. General obligation bonds -- Maximum amount -- Use of proceeds for**
543 **projects.**

544 (1) (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued
545 under this section may not exceed \$264,000,000 for acquisition and construction proceeds, plus
546 additional amounts as provided in Subsection (1)(b).

547 (b) When the Department of Transportation certifies to the commission the amount of
548 bond proceeds needed to provide funding for the projects described in this section, the
549 commission may issue and sell general obligation bonds in an amount equal to the certified
550 amount, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest,
551 and to fund any existing debt service reserve requirements, not to exceed 1% of the certified
552 amount.

553 (c) The commission may not issue general obligation bonds authorized under this
554 section if the issuance of the general obligation bonds would result in the total current
555 outstanding general obligation debt of the state exceeding 50% of the limitation described in
556 the Utah Constitution, Article XIV, Section 1.

557 (2) Proceeds from the bonds issued under this section shall be provided to the
558 Department of Transportation to pay for, or to provide funds in accordance with this section to
559 pay for, the costs of right-of-way acquisition, construction, reconstruction, renovations, or
560 improvements with respect to projects described in this section.

561 (3) It is the intent of the Legislature that as transportation projects are prioritized under
562 Section 72-2-124, the Transportation Commission give consideration to projects beyond the
563 normal programming horizon.

564 (4) (a) Two hundred thirty-two million dollars of the proceeds of bonds issued under
565 this section shall be used to pay for the following transit projects, to be repaid from the Transit
566 Transportation Investment Fund under Subsection 72-2-124(9):

567 (i) subject to Subsection (4)(b), \$200,000,000 to double track strategic sections of the
568 FrontRunner commuter rail system;

569 (ii) \$12,000,000 to pay for construction and improvements to the S-line streetcar
570 facilities in Salt Lake City;

571 (iii) \$11,000,000 for bus rapid transit in the Salt Lake midvalley area;

572 (iv) \$5,000,000 for an environmental study at the point of the mountain area; and

573 (v) \$4,000,000 for a Utah Transit Authority and Sharp-Tintic railroad consolidation
574 project.

575 (b) The issuance of the \$200,000,000 of bonds for the purpose described in Subsection
576 (4)(a)(i) is contingent upon the establishment of an agreement between the Department of
577 Transportation and the Utah Transit Authority whereby the Utah Transit Authority agrees to
578 pay \$5,000,000 per year for 15 years toward repayment of the bonds.

579 (5) (a) Twenty-nine million dollars of the proceeds of bonds issued under this section
580 shall be provided to the Department of Transportation to pass through to Brigham City to be
581 used for a Forest Street rail bridge project in Brigham City.

582 (b) Payments shall be made from the Rail Transportation Restricted Account created in
583 Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(c), in the amount

584 per year of the principal and interest payments due under the bonds issued under Subsection
585 (5)(a) until those bonds have been repaid in full.

586 (6) (a) Three million dollars of the proceeds of bonds issued under this section shall be
587 provided to the Department of Transportation to pass through to the city of North Salt Lake for
588 an environmental study for a grade separation at 1100 North in North Salt Lake.

589 (b) Payments shall be made from the Rail Transportation Restricted Account created in
590 Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(b), in the amount
591 per year of the principal and interest payments due under the bonds issued under Subsection
592 (6)(a) until those bonds have been repaid in full.

593 (7) The costs under Subsection (2) may include the costs of studies necessary to make
594 transportation infrastructure improvements, the costs of acquiring land, interests in land, and
595 easements and rights-of-way, the costs of improving sites and making all improvements
596 necessary, incidental, or convenient to the facilities, and the costs of interest estimated to
597 accrue on these bonds during the period to be covered by construction of the projects plus a
598 period of six months after the end of the construction period, interest estimated to accrue on
599 any bond anticipation notes issued under the authority of this title, and all related engineering,
600 architectural, and legal fees.

601 (8) The commission or the state treasurer may make any statement of intent relating to
602 a reimbursement that is necessary or desirable to comply with federal tax law.

603 (9) The Department of Transportation may enter into agreements related to the projects
604 described in Subsection (4) before the receipt of proceeds of bonds issued under this section.

605 Section 3. Section 72-2-124 is amended to read:

606 **72-2-124. Transportation Investment Fund of 2005.**

607 (1) There is created a capital projects fund entitled the Transportation Investment Fund
608 of 2005.

609 (2) The fund consists of money generated from the following sources:

610 (a) any voluntary contributions received for the maintenance, construction,
611 reconstruction, or renovation of state and federal highways;

612 (b) appropriations made to the fund by the Legislature;

613 (c) registration fees designated under Section 41-1a-1201;

614 (d) the sales and use tax revenues deposited into the fund in accordance with Section

615 59-12-103; and

616 (e) revenues transferred to the fund in accordance with Section 72-2-106.

617 (3) (a) The fund shall earn interest.

618 (b) All interest earned on fund money shall be deposited into the fund.

619 (4) (a) Except as provided in Subsection (4)(b), the executive director may only use
620 fund money to pay:

621 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
622 federal highways prioritized by the Transportation Commission through the prioritization
623 process for new transportation capacity projects adopted under Section 72-1-304;

624 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
625 projects described in Subsections 63B-18-401(2), (3), and (4);

626 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
627 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
628 with Subsection 72-2-121(4)(e);

629 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
630 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
631 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the
632 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

633 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
634 for projects prioritized in accordance with Section 72-2-125;

635 (vi) all highway general obligation bonds that are intended to be paid from revenues in
636 the Centennial Highway Fund created by Section 72-2-118;

637 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
638 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described
639 in Section 72-2-121; [and]

640 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
641 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved
642 nonmotorized transportation for projects that:

643 (A) mitigate traffic congestion on the state highway system;

644 (B) are part of an active transportation plan approved by the department; and

645 (C) are prioritized by the commission through the prioritization process for new

646 transportation capacity projects adopted under Section 72-1-304[-];
647 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
648 reconstruction, or renovation of or improvement to the following projects:
649 (A) the connector road between Main Street and 1600 North in the city of Vineyard;
650 (B) Geneva Road from University Parkway to 1800 South;
651 (C) the SR-97 interchange at 5600 South on I-15;
652 (D) two lanes on U-111 from Herriman Parkway to 11800 South;
653 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
654 (F) improvements to 1600 North in Orem from 1200 West to State Street;
655 (G) widening I-15 between mileposts 6 and 8;
656 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
657 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in
658 Spanish Fork Canyon;
659 (J) I-15 northbound between mileposts 43 and 56;
660 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43
661 and 45.1;
662 (L) east Zion SR-9 improvements;
663 (M) Toquerville Parkway;
664 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
665 (O) for construction of an interchange on Bangerter Highway at 13400 South; and
666 (P) an environmental impact study for Kimball Junction in Summit County; and
667 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
668 costs based upon a statement of cash flow that the local jurisdiction where the project is located
669 provides to the department demonstrating the need for money for the project, for the following
670 projects in the following amounts:
671 (A) \$5,000,000 for Payson Main Street repair and replacement;
672 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
673 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
674 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40
675 between mile markers 7 and 10.
676 (b) The executive director may use fund money to exchange for an equal or greater

677 amount of federal transportation funds to be used as provided in Subsection (4)(a).

678 (5) (a) Except as provided in Subsection (5)(b), the executive director may not program
679 fund money to a project prioritized by the commission under Section 72-1-304, including fund
680 money from the Transit Transportation Investment Fund, within the boundaries of a
681 municipality that is required to adopt a moderate income housing plan element as part of the
682 municipality's general plan as described in Subsection 10-9a-401(3), if the municipality has
683 failed to adopt a moderate income housing plan element as part of the municipality's general
684 plan or has failed to implement the requirements of the moderate income housing plan as
685 determined by the results of the Department of Workforce Service's review of the annual
686 moderate income housing report described in Subsection 35A-8-803(1)(a)(vii).

687 (b) Within the boundaries of a municipality that is required under Subsection
688 10-9a-401(3) to plan for moderate income housing growth but has failed to adopt a moderate
689 income housing plan element as part of the municipality's general plan or has failed to
690 implement the requirements of the moderate income housing plan as determined by the results
691 of the Department of Workforce Service's review of the annual moderate income housing
692 report described in Subsection 35A-8-803(1)(a)(vii), the executive director:

693 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
694 facility or interchange connecting limited-access facilities;

695 (ii) may not program fund money for the construction, reconstruction, or renovation of
696 an interchange on a limited-access facility;

697 (iii) may program Transit Transportation Investment Fund money for a
698 multi-community fixed guideway public transportation project; and

699 (iv) may not program Transit Transportation Investment Fund money for the
700 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
701 transportation project.

702 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
703 director before May 1, 2020, for projects prioritized by the commission under Section
704 72-1-304.

705 (6) (a) Except as provided in Subsection (6)(b), the executive director may not program
706 fund money to a project prioritized by the commission under Section 72-1-304, including fund
707 money from the Transit Transportation Investment Fund, within the boundaries of the

708 unincorporated area of a county, if the county is required to adopt a moderate income housing
709 plan element as part of the county's general plan as described in Subsection 17-27a-401(3) and
710 if the county has failed to adopt a moderate income housing plan element as part of the county's
711 general plan or has failed to implement the requirements of the moderate income housing plan
712 as determined by the results of the Department of Workforce Service's review of the annual
713 moderate income housing report described in Subsection 35A-8-803(1)(a)(vii).

714 (b) Within the boundaries of the unincorporated area of a county where the county is
715 required under Subsection 17-27a-401(3) to plan for moderate income housing growth but has
716 failed to adopt a moderate income housing plan element as part of the county's general plan or
717 has failed to implement the requirements of the moderate income housing plan as determined
718 by the results of the Department of Workforce Service's review of the annual moderate income
719 housing report described in Subsection 35A-8-803(1)(a)(vii), the executive director:

720 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
721 facility to a project prioritized by the commission under Section 72-1-304;

722 (ii) may not program fund money for the construction, reconstruction, or renovation of
723 an interchange on a limited-access facility;

724 (iii) may program Transit Transportation Investment Fund money for a
725 multi-community fixed guideway public transportation project; and

726 (iv) may not program Transit Transportation Investment Fund money for the
727 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
728 transportation project.

729 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
730 director before July 1, 2020, for projects prioritized by the commission under Section
731 72-1-304.

732 (7) (a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued
733 in any fiscal year, the department and the commission shall appear before the Executive
734 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
735 department needs to provide funding for the projects identified in Subsections 63B-18-401(2),
736 (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.

737 (b) The Executive Appropriations Committee of the Legislature shall review and
738 comment on the amount of bond proceeds needed to fund the projects.

739 (8) The Division of Finance shall, from money deposited into the fund, transfer the
740 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
741 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or
742 sinking fund.

743 (9) (a) There is created in the Transportation Investment Fund of 2005 the Transit
744 Transportation Investment Fund.

745 (b) The fund shall be funded by:

746 (i) contributions deposited into the fund in accordance with Section 59-12-103;

747 (ii) appropriations into the account by the Legislature;

748 (iii) private contributions; and

749 (iv) donations or grants from public or private entities.

750 (c) (i) The fund shall earn interest.

751 (ii) All interest earned on fund money shall be deposited into the fund.

752 (d) Subject to Subsection (9)(e), the Legislature may appropriate money from the fund
753 for public transit capital development of new capacity projects to be used as prioritized by the
754 commission.

755 (e) (i) The Legislature may only appropriate money from the fund for a public transit
756 capital development project or pedestrian or nonmotorized transportation project that provides
757 connection to the public transit system if the public transit district or political subdivision
758 provides funds of equal to or greater than 40% of the costs needed for the project.

759 (ii) A public transit district or political subdivision may use money derived from a loan
760 granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund, to provide all or
761 part of the 40% requirement described in Subsection (9)(e)(i) if:

762 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
763 State Infrastructure Bank Fund; and

764 (B) the proposed capital project has been prioritized by the commission pursuant to
765 Section 72-1-303.

766 (10) (a) There is created in the Transportation Investment Fund of 2005 the
767 Cottonwood Canyons Transportation Investment Fund.

768 (b) The fund shall be funded by:

769 (i) contributions deposited into the fund in accordance with Section 59-12-103;

770 (ii) appropriations into the account by the Legislature;

771 (iii) private contributions; and

772 (iv) donations or grants from public or private entities.

773 (c) (i) The fund shall earn interest.

774 (ii) All interest earned on fund money shall be deposited into the fund.

775 (d) The Legislature may appropriate money from the fund for public transit or

776 transportation projects in the Cottonwood Canyons of Salt Lake County.

777 Section 4. Section 72-2-131 is amended to read:

778 **72-2-131. Rail Transportation Restricted Account -- Grants for railroad crossing**
779 **safety.**

780 (1) As used in this section, "eligible entity" means:

781 (a) a public entity; or

782 (b) a private entity that is exempt from federal income taxation under Section
783 501(c)(3), Internal Revenue Code.

784 (2) There is created in the Transit Transportation Investment Fund, created in Section
785 72-2-124, the Rail Transportation Restricted Account.

786 (3) The account shall be funded by:

787 (a) appropriations to the account by the Legislature;

788 (b) private contributions;

789 (c) donations or grants from public or private entities; and

790 (d) interest earned on money in the account.

791 (4) Upon appropriation, the department shall:

792 (a) use an amount equal to 10% of the money deposited into the account to provide
793 grants in accordance with Subsection (5);

794 (b) use an amount equal to 10% of the money deposited into the account to pay the
795 costs of performing environmental impact studies in connection with construction,
796 reconstruction, or renovation projects related to railroad crossings on class A, class B, or class
797 C roads; and

798 (c) use the remaining money deposited into the account to pay:

799 (i) the costs of construction, reconstruction, or renovation projects related to railroad
800 crossings on class A, class B, or class C roads; [or]

801 (ii) debt service related to a project described in Subsection (4)(b)[-]; or
 802 (iii) the appropriate debt service or sinking fund for the repayment of bonds issued
 803 under Subsections 63B-31-101(5) and (6).

804 (5) (a) The department may award grants to one or more eligible entities to be used for
 805 the purpose of improving safety at railroad crossings on class A, class B, or class C roads.

806 (b) An eligible entity may use grant money for any expense related to improving safety
 807 at railroad crossings on class A, class B, or class C roads, including:

808 (i) signage; and

809 (ii) safety enhancements to a railroad crossing.

810 (c) The department shall prioritize, in the following order, grants to applicants that
 811 propose projects impacting railroad crossings that:

812 (i) have demonstrated safety concerns, including emergency services access; and

813 (ii) have high levels of vehicular and pedestrian traffic.

814 **Section 5. Appropriation.**

815 The following sums of money are appropriated for the fiscal year beginning July 1,
 816 2021 and ending June 30, 2022. These are additions to amounts otherwise appropriated for
 817 fiscal year 2022.

818 **Subsection 4(a). Operating and Capital Budgets.**

819 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
 820 Legislature appropriates the following sums of money from the funds or accounts indicated for
 821 the use and support of the government of the state of Utah.

822 **ITEM 1**

823 **To Transportation - Transportation Investment Fund Capacity Program**

824 From Transportation Investment Fund of 2005, One-time \$733,000,000

825 **Schedule of Programs:**

826 Transportation Investment Fund Capacity Program \$733,000,000

827 The Legislature intends that the department use money from this appropriation for the
 828 projects listed in Subsections 72-2-124(4)(a)(ix) and (x).

829 **ITEM 2**

830 **To Transportation - Transit Transportation Investment**

831 From Transit Transportation Investment Fund, One-time \$101,600,000

832 Schedule of Programs:

833 Transit Transportation Investment \$101,600,000

834 The Legislature intends that the department use money from this appropriation as

835 follows: \$100,000,000 to pay to double track strategic sections of the FrontRunner commuter

836 rail system; and \$1,600,000 to pay for a rail station in the city of Vineyard.

837 Subsection 4(b). **Capital Project Funds.**

838 The Legislature has reviewed the following capital project funds. The Legislature

839 authorizes the Division of Finance to transfer amounts between funds and accounts as

840 indicated.

841 ITEM 3

842 To Transportation - Transportation Investment Fund of 2005

843 From General Fund, One-time \$733,000,000

844 Schedule of Programs:

845 Transportation Investment Fund \$733,000,000

846 ITEM 4

847 To Transportation - Transit Transportation Investment Fund

848 From General Fund, One-time \$101,600,000

849 Schedule of Programs:

850 Transit Transportation Investment Fund \$101,600,000